GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:124
ANSWERED ON:30.11.2006
CITY GAS DISTRIBUTION NETWORK
Chowdhury Shri Adhir Ranjan;Singh Shri Uday

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government has finalized the policy for laying natural gas pipelines and setting up of the city gas distribution network;

(b) if so, the details thereof;

(c) whether the Government has allowed companies to have monopoly in retailing natural gas to households for a limited period; and

(d) if so, the details thereof alongwith the details of the companies which have shown interest for such investments?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 124 BY S/SHRIADHIR CHOWDHURY AND UDAY SINGH, MPs, TO BE ANSWERED ON 30.11.2006 REGARDING CITY GAS DISTRIBUTION NETWORK

(a) to (d): The Government is in the process of finalizing the policy for development of Natural Gas Pipelines and City or Local Natural Gas Distribution Network. The broad objective of the policy is to promote mvestment in natural gas pipelines and city/ local natural gas distribution networks, to promote competition among entities, thereby avoiding any abuse of the dominant position by any entity, and to secure consumer interest in terms of gas availability and reasonable tariff.

The Policy is being finalized in consultation with all the stakeholders. Views and comments of various stakeholders were invited on the draft pipeline policy. Meetings have also been held with the stakeholders in the months of June, July and October, 2006.